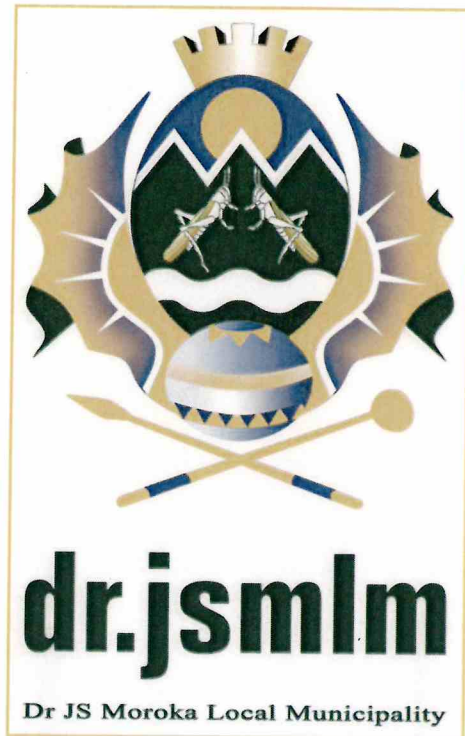


# **DR JS MOROKA LOCAL MUNICIPALITY**



## **DRAFT ANNUAL BUDGET**

### **2023/2024**

**“WE DEVELOP AS WE GROW”**

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## **1. EXECUTIVE MAYOR'S FOREWORD**

The 2023/24 draft annual budget is presented and tabled in terms of section 16(2) of the Municipal Finance Management Act no. 56 of 2003 which prescribes that "the mayor of the municipality must table the annual budget at council municipal council must at least 90 days before the start of the budget year" The Act further provides that's the municipality must take into account the national and provincial budget, the DORA as well as any other agreement reached in the relevant budget forum.

This draft budget is a conclusion of the process of community consultation wherein the strategic IDP document was reviewed. All necessary precautions have been followed so that this budget is appropriately aligned with the reviewed IDP. The draft budget aims to satisfy the constitutional obligation of the municipality as contained in Part B of schedule 4 and 5 of ACT 108 OF 1996. The tabling and publication of this draft budget is also aimed at soliciting the public to comment to ensure that the budget truly represents the needs of the community.

The 2023/24 draft budget has maintained the resolute approach of prioritizing service delivery projects. 24% of the total capital budget has been allocated for water provision, 36% for sanitation projects, 36% for Roads and stormwater projects and 5% for electricity connections.

The efforts of the municipality to extract itself from grant dependence will only be achieved if the municipality thoroughly implements all its revenue collection strategies and plans. The budget-related policies which are concurrently being tabled with the draft budget give the municipality the necessary legal standing to enforce the collection of rates and taxes.

Therefore this 2023/24 draft annual budget is presented for public comments and inputs.

**EXECUTIVE MAYOR**  
**Cllr S.N MTSWENI**

## 2. COUNCIL RESOLUTION

2.1 **THAT**, Council 2023/24 to 2025/26 Draft Medium Term Revenue and expenditure Framework as follows:

<b>REVENUE &amp; EXPENDITURE SUMMARY</b>	<b>2022-2023 ADJUSTED BUDGET</b>	<b>2023-2024 DRAFT BUDGET</b>	<b>2024-2025 BUDGET</b>	<b>2025-2026 BUDGET</b>
Revenue	829 560 000	880 998 527	918 989 262	936 731 275
Operating Expenditure	-674 642 000	-706 281 959	-740 889 775	-775 711 594
Capital Expenditure	-150 922 000	-150 239 000	-157 299 000	-157 299 000
<b>Surplus/ (Deficit)</b>	<b>3 996 000</b>	<b>24 477 568</b>	<b>20 800 487</b>	<b>3 720 681</b>

2.2 **THAT**, Council adopts the proposed Tariff increase for the services provided by the municipality as contained in the tariff structure

2.3 **THAT, Council** adopts the following budget-related policies:

- 2.3.1 Asset Management Policy
- 2.3.2 Budget Policy
- 2.3.3 Cost Containment Policy
- 2.3.4 Credit Control and Debt collection policy
- 2.3.5 Free Basic Services and Indigent Support Policy
- 2.3.6 Grants Policy
- 2.3.7 Insurance Management Policy
- 2.3.8 Inventory Management Policy
- 2.3.9 Investment Policy
- 2.3.10 Loss Control Policy
- 2.3.11 Property Rates Policy
- 2.3.12 Supply Chain Management Policy
- 2.3.13 Tariff Policy
- 2.3.14 UIF&W Policy
- 2.3.15 Virement Policy

### 3. EXECUTIVE SUMMARY

The following budgeting principles and guidelines directly informed the compilation of the 2023//24 MTREF:

- The priorities and targets relating to the key strategic focus areas, as outlined in the IDP.
- The need to enhance the municipal revenue base.
- Implementation of cost containment regulations.

In view of the above-mentioned, the following table represents an overview of the 2023/24 Medium-Term Revenue and Expenditure Framework:

<b>REVENUE &amp; EXPENDITURE SUMMARY</b>	<b>2022-2023 ADJUSTED BUDGET</b>	<b>2023-2024 DRAFT BUDGET</b>	<b>2024-2025 BUDGET</b>	<b>2025-2026 BUDGET</b>
Revenue	829 560 000	880 998 257	918 989 262	936 731 275
Operating Expenditure	-674 642 000	-706 281 959	-740 889 775	-775 711 594
Capital Expenditure	-150 922 000	-150 239 000	-157 299 000	-157 299 000
<b>Surplus/ (Deficit)</b>	<b>3 996 000</b>	<b>24 477 298</b>	<b>20 800 487</b>	<b>3 720 681</b>

Total draft projected revenue for 2023/2024 financial year is at R880,9-million which comprises of grants and subsidies allocated and own revenue projected. The total draft operating expenditure for the 2023/24 financial year has been projected at R706,2 -million which makes 80% of the total budget and the capital budget at 20% of the total budget.

#### 3.1 REVENUE

The continued provision and expansion of municipal services is largely dependent on the municipality generating sufficient revenue. The reality is that the municipality is faced with developmental backlogs. The expenditure required to address these challenges will always exceed available funds. Furthermore, in accordance with the MFMA, expenditure has to be limited to the realistically anticipated revenues, hence drastic measures have to be made in relation to tariffs and balancing expenditures against realistically anticipated revenues.

The following table is a summary of the 2023/24 MTREF (classified by own revenue source):

The total funding or projected revenue for the draft annual budget is R868,2-million which consist of **74%** of grants and subsidies and **26%** of own revenue projected.

The following table provides a breakdown of projected own revenue by source:

<b>SERVICE CHARGES</b>	<b>2022-2023 ADJUSTED BUDGET</b>	<b>2023-2024 DRAFT BUDGET</b>	<b>2024-2025 BUDGET</b>	<b>2025-2026 BUDGET</b>
Property Rates	38 480 000	40 250 088	42 222 342	44 206 792
Water	81 580 304	85 332 994	89 514 311	93 721 483
Sewerage	8 000 000	8 368 000	8 778 032	9 190 600
Refuse	4 500 000	4 704 385	4 934 900	5 166 840
Rental of Facilities	275 000	287 654	301 749	315 931
Traffic Fines	230 000	240 580	252 368	264 230
Motor Licensing	6 700 000	7 008 200	7 351 602	7 697 127
Interest on Investment	1 675 000	1 752 046	1 837 896	1 924 277
Interest on outstanding Debtors	54 000 000	56 484 000	59 251 716	62 036 547
Other Revenue	12 893 874	20 913 580	21 938 345	22 969 448
<b>TOTALS</b>	<b>208 334 178</b>	<b>225 341 527</b>	<b>236 383 262</b>	<b>247 493 275</b>

In the 2022/23 financial year, own revenue amounted to R208,3-million, it has increased to R225,3-million and increase by projected inflation rate of 4.9% and 4.7% in the two outer financial years.

**CONDITIONAL GRANTS AND SUBSIDIES**

The following table provides a breakdown of the various grants and subsidies allocated to the municipality over the medium term:

<b>CONDITIONAL GRANT &amp; SUBSIDIES</b>	<b>2022/2023 ADJUSTED BUDGET</b>	<b>2023/2024 DRAFT BUDGET</b>	<b>2024/2025 BUDGET</b>	<b>2025/2026 BUDGET</b>
Equitable Share	461 561 000	491 709 000	522 895 000	522 187 000
Municipal Infrastructure Grant (MIG)	153 660 000	150 219 000	157 261 000	164 601 000
Finance Management Grant (FMG)	2 450 000	2 450 000	2 450 000	2 450 000
Integrated National Electrification Programme (INEP)	-	6 880 000	-	-
Expanded Public Works Programme (EPWP)	2 432 000	4 399 000	-	-
<b>TOTAL</b>	<b>620 103 000</b>	<b>655 657 000</b>	<b>682 606 000</b>	<b>689 238 000</b>

Overall grants and subsidies allocation has increased by **5%** from 2022/23.

### **3.2 OPERATING EXPENDITURE FRAMEWORK**

The municipality's expenditure framework for the 2023/24 budget and MTREF is informed by the following:

- The funding of the budget over the medium term is informed by the requirements of section 18 and 19 of the MFMA.
- A balanced budget approach by limiting the expenditure to the operating revenue.

The following table is a high-level summary of the 2023/24 draft operating budget classified by type:

<b>TYPE</b>	<b>2022-2023 ADJUSTED BUDGET</b>	<b>2023-2024 DRAFT BUDGET</b>	<b>2024-2025 BUDGET</b>	<b>2025-2026 BUDGET</b>
Employee Costs	224 917 000	240 661 190	252 453 588	264 318 907
Councillors Remuneration	26 880 000	28 224 000	29 606 976	30 998 504
Repairs & Maintenance	103 788 000	118 541 769	124 350 316	130 194 781
Contracted Services	152 677 000	155 405 000	163 019 845	170 681 778
Inventory Consumed	19 518 000	16 000 000	16 784 000	17 572 848
Transfers and Subsidies	8 450 000	8 450 000	8 864 050	9 280 660
Depreciation	61 320 000	61 500 000	64 513 500	67 545 635
Debt Impairment	77 350 000	77 500 000	81 297 500	85 118 483
<b>TOTAL</b>	<b>674 900 000</b>	<b>706 281 959</b>	<b>740 889 775</b>	<b>775 711 594</b>

The total operating expenditure budget has increased by R31,3-million from R674,9-million in 2022/23 to R706,2-million in the 2023/24 draft budget which is 4% as per the macroeconomic forecast as outlined in the Municipal Budget Circular for the 2023/24 MTREF. Below is a discussion of the main expenditure components.

### **Employee related costs**

The total budget for employee-related costs amounts to R240,6-million, representing 34% of the total operating budget. Provision of 4.9% and 4.7% is made for outer financial years as per the circular 123 of the MFMA.

### **Remuneration of Councilors**

The remuneration of Councilors is determined by the Minister of Co-operative Governance and Traditional Affairs, in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). An amount of R28,2-million is budgeted for the 2023/24 financial year

### **Depreciation**

It is anticipated that the depreciation will increase over the MTREF. The total cost of R61,5-million is allocated to the 2023/24 financial year.

### **Repairs and Maintenance**

Repairs and maintenance for 2023/24 amounts to R118,5-million and equates to 17% of the total operating expenditure

## **3.3 CAPITAL EXPENDITURE**

The capital budget is financed through Municipal Infrastructure Grant.

The following table provides a breakdown of budgeted capital expenditure by vote:



<b>PROJECTS BY VOTES</b>	<b>ADJUSTED BUDGET</b>	<b>2023-2024 DRAFT BUDGET</b>	<b>2024-2025 BUDGET</b>	<b>2025-2026 BUDGET</b>
Water	68 477 000	35 489 674	-	-
Sanitation	37 442 000	53 240 376	59 253 879	64 253 879
Roads & Stormwater	30 000 000	54 000 000	61 094 114	61 600 000
Facilities	15 058 000			
Electricity	-	6 880 000	-	-
<b>Totals</b>	<b>150 977 000</b>	<b>149 610 050</b>	<b>120 347 993</b>	<b>125 853 879</b>

The draft capital budget complies with the Municipal Structures Act and MFMA as it aligns with the Draft IDP. The budgetary allocations for draft capital expenditure have been undertaken in a manner that will not only ensure that the IDP outcomes are achieved but also lead to the municipality's vision being realized.

**The following table provides a detailed capital budget per project**

ROADS & STORMWATER PROJECTS		WARD	2023-2024 DRAFT BUDGET	2024-2025 BUDGET	2025-2026 BUDGET
Construction of Katjibane bus and Taxi route		27	10 800 000	15 000 000	15 000 000
Construction of Mmametlake bus and taxi route		29	10 800 000	11 200 000	-
Construction of Radjoko bus and Taxi route		22	10 800 000	13 600 000	13 600 000
Construction of Makopanong bus and Taxi route		2	10 800 000	15 000 000	22 200 000
Construction of Matshiding bus and Taxi route		12	10 800 000	6 294 114	10 800 000
<b>SUB-TOTAL</b>			<b>54 000 000</b>	<b>61 094 114</b>	<b>61 600 000</b>
<b>WASTE WATER MANAGEMENT PROJECTS</b>					
Construction of Ga-Phaahla sewer out fall, sewer reticulation and precast tolets		1	26 620 188	24 253 879	24 253 879
Construction of Sewer reticulation at Thabana		7	26 620 188	35 000 000	40 000 000
<b>SUB-TOTAL</b>			<b>53 240 376</b>	<b>59 253 879</b>	<b>64 253 879</b>
<b>WATER PROJECTS</b>					
Replacement of asbestos bulk line from water treatment plant to Bloedfontein resevoir		8 & 21	15 447 427	-	-
Replacement of asbestos bulk line Ga-Phahla and Siyabuswa A		1 & 3	20 042 247	-	-
<b>SUB-TOTAL</b>			<b>35 489 674</b>	<b>-</b>	<b>-</b>
<b>ELECTRICITY</b>					
200 household connections at Phake Ratihagana		30	4 000 000	-	-
74 household connections at Libangeni		16/17	1 480 000	-	-
70 household connections at Madubaduba Moripe		19	1 400 000	-	-
<b>SUB-TOTAL</b>			<b>6 880 000</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>			<b>149 610 050</b>	<b>120 347 993</b>	<b>125 853 879</b>

#### 4. DRAFT ANNUAL BUDGET TABLES

MP316 Dr J.S. Moroka - Table A1 Budget Summary

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands										
<b>Financial Performance</b>										
Property rates	46 197	40 450	42 522	40 000	38 480	38 480	38 480	40 250	42 222	44 207
Service charges	96 839	75 683	80 672	94 500	94 063	94 063	94 063	98 406	103 228	108 079
Investment revenue	3 121	1 336	1 388	2 500	1 675	1 675	1 675	1 752	1 838	1 924
Transfer and subsidies - Operational	378 990	586 183	555 955	466 443	466 881	466 881	466 881	498 816	525 345	524 637
Other own revenue	91 582	59 572	62 128	50 438	74 716	74 716	74 716	78 152	81 982	85 835
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>616 729</b>	<b>763 224</b>	<b>742 665</b>	<b>653 881</b>	<b>675 815</b>	<b>675 815</b>	<b>675 815</b>	<b>717 377</b>	<b>754 615</b>	<b>764 683</b>
Employee costs	189 133	201 673	205 477	217 830	225 785	225 785	225 785	240 661	252 453	264 318
Remuneration of councillors	23 822	23 914	23 592	26 880	26 880	26 880	26 880	28 224	29 607	30 998
Depreciation and amortisation	66 221	64 598	66 214	61 320	61 320	61 320	61 320	61 320	64 325	67 348
Finance charges	-	-	21	3 200	3 200	3 200	3 200	3 200	3 357	3 515
Inventory consumed and bulk purchases	4 734	10 802	14 040	18 500	19 560	19 560	19 560	15 800	16 574	17 353
Transfers and subsidies	6 325	4 972	8 466	8 450	8 450	8 450	3 541	8 450	8 864	9 281
Other expenditure	245 403	392 903	337 705	343 458	333 105	333 105	333 105	341 122	356 979	374 490
<b>Total Expenditure</b>	<b>535 638</b>	<b>698 662</b>	<b>655 515</b>	<b>679 638</b>	<b>678 299</b>	<b>678 299</b>	<b>663 288</b>	<b>698 778</b>	<b>732 159</b>	<b>767 304</b>
<b>Surplus/(Deficit)</b>	<b>81 091</b>	<b>64 563</b>	<b>87 151</b>	<b>(25 757)</b>	<b>(2 484)</b>	<b>(2 484)</b>	<b>12 527</b>	<b>18 600</b>	<b>22 456</b>	<b>(2 621)</b>
Transfers and subsidies - capital (monetary allocations)	115 654	-	-	153 660	153 660	153 660	153 660	150 219	157 261	164 601
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>196 745</b>	<b>64 563</b>	<b>87 151</b>	<b>127 903</b>	<b>151 176</b>	<b>151 176</b>	<b>166 187</b>	<b>168 819</b>	<b>179 717</b>	<b>161 980</b>
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>196 745</b>	<b>64 563</b>	<b>87 151</b>	<b>127 903</b>	<b>151 176</b>	<b>151 176</b>	<b>166 187</b>	<b>168 819</b>	<b>179 717</b>	<b>161 980</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>(229 130)</b>	<b>37 308</b>	<b>67 405</b>	<b>158 677</b>	<b>152 155</b>	<b>152 155</b>	<b>152 155</b>	<b>153 735</b>	<b>126 349</b>	<b>131 854</b>
Transfers recognised - capital	61 153	92 846	15 465	145 977	146 055	146 055	146 055	142 735	120 349	125 854
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	6 019	29 210	12 600	6 100	6 100	6 100	11 000	6 000	6 000
<b>Total sources of capital funds</b>	<b>61 153</b>	<b>98 865</b>	<b>44 675</b>	<b>158 677</b>	<b>152 155</b>	<b>152 155</b>	<b>152 155</b>	<b>153 735</b>	<b>126 349</b>	<b>131 854</b>
<b>Financial position</b>										
Total current assets	398 831	392 107	388 017	244 992	268 566	268 566	268 566	532 478	1 209 621	1 216 925
Total non current assets	1 773 477	1 813 765	1 882 744	1 743 740	1 743 540	1 743 540	1 743 540	2 026 939	1 996 549	1 999 031
Total current liabilities	266 489	223 244	214 835	59 247	56 098	56 098	56 098	269 110	904 965	932 486
Total non current liabilities	25 188	33 444	29 461	22 857	22 857	22 857	22 857	32 461	32 461	32 461
Community wealth/Equity	1 683 886	1 948 239	2 026 485	1 906 628	1 933 151	1 933 151	1 933 151	2 257 847	2 268 744	2 251 007
<b>Cash flows</b>										
Net cash from (used) operating	745 872	533 136	495 973	90 906	(76 429)	(76 429)	(76 429)	162 932	719 588	727 959
Net cash from (used) investing	(104 970)	(98 302)	(146 928)	(162 802)	(162 602)	(162 602)	(162 602)	(153 735)	(126 349)	(131 854)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>681 814</b>	<b>434 834</b>	<b>410 033</b>	<b>69 889</b>	<b>(97 266)</b>	<b>227 938</b>	<b>227 938</b>	<b>60 899</b>	<b>654 138</b>	<b>1 250 242</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	2 011 077	2 048 492	2 088 578	1 973 344	1 995 314	1 995 314	1 995 314	2 405 240	2 961 747	2 968 458
Application of cash and investments	146 506	80 763	21 555	80 919	77 318	77 318	77 318	151 511	724 751	751 990
<b>Balance - surplus (shortfall)</b>	<b>1 864 571</b>	<b>1 967 729</b>	<b>2 067 023</b>	<b>1 892 425</b>	<b>1 917 996</b>	<b>1 917 996</b>	<b>1 917 996</b>	<b>2 253 729</b>	<b>2 236 997</b>	<b>2 216 468</b>
<b>Asset management</b>										
Asset register summary (WDV)	1 618 369	1 558 103	1 585 167	1 575 390	1 575 190	1 575 190	1 536 628	1 532 623	1 529 600	-
Depreciation	66 221	64 598	66 214	61 320	61 320	61 320	61 320	64 325	67 348	-
Renewal and Upgrading of Existing Assets	237 014	(32 970)	92 569	30 000	88 259	88 259	67 892	31 096	24 400	-
Repairs and Maintenance	20 487	64 782	72 283	66 350	71 150	71 150	69 051	71 734	75 839	-
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	295	-	1 015	-	-	-	-	-	-	-
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

MP316 Dr J.S. Moroka - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue - Functional</b>	<b>1</b>									
<i>Governance and administration</i>		608 372	582 485	518 903	707 871	729 833	729 833	763 355	802 527	814 796
Executive and council		-	(446)	-	-	600	600	628	658	689
Finance and administration		608 372	582 931	518 903	707 871	729 233	729 233	762 727	801 869	814 107
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		212	608	1 016	5 106	5 491	5 491	5 743	6 025	6 308
Community and social services		295	161	162	156	261	261	273	286	299
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		(83)	448	854	4 950	5 230	5 230	5 471	5 739	6 008
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		27 247	49	9 574	34	53	53	55	58	60
Planning and development		26 883	48	9 572	34	49	49	51	54	56
Road transport		364	1	1	-	4	4	4	4	4
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		96 533	180 061	213 157	94 500	94 080	94 080	98 424	103 246	108 099
Energy sources		-	-	-	-	-	-	-	-	-
Water management		81 449	64 027	68 337	82 000	81 610	81 610	85 380	89 564	93 773
Waste water management		9 032	111 583	140 253	8 000	7 970	7 970	8 337	8 745	9 156
Waste management		6 053	4 450	4 567	4 500	4 500	4 500	4 707	4 938	5 170
<i>Other</i>		18	21	16	30	18	18	19	20	21
<b>Total Revenue - Functional</b>	<b>2</b>	<b>732 383</b>	<b>763 224</b>	<b>742 665</b>	<b>807 541</b>	<b>829 475</b>	<b>829 475</b>	<b>867 596</b>	<b>911 876</b>	<b>929 284</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		313 106	361 469	349 212	303 185	298 628	298 628	312 280	326 725	342 813
Executive and council		41 300	34 694	40 797	57 895	52 212	52 212	54 145	56 798	59 467
Finance and administration		266 626	321 376	302 707	237 880	239 916	239 916	251 949	263 438	276 552
Internal audit		5 180	5 398	5 709	7 411	6 501	6 501	6 186	6 489	6 794
<i>Community and public safety</i>		64 712	70 886	78 418	87 201	83 825	83 825	86 606	90 850	95 120
Community and social services		26 890	30 273	33 791	31 607	32 026	32 026	34 090	35 761	37 442
Sport and recreation		453	385	286	747	10	10	11	11	12
Public safety		35 505	37 482	42 517	51 847	48 789	48 789	49 505	51 931	54 372
Housing		1 864	2 746	1 824	3 000	3 000	3 000	3 000	3 147	3 295
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		73 865	76 066	53 411	78 094	79 263	79 263	87 682	91 978	96 301
Planning and development		39 449	28 905	20 802	31 226	28 510	28 510	35 153	36 876	38 609
Road transport		34 415	47 161	32 609	46 868	50 753	50 753	52 529	55 103	57 693
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		78 047	179 163	163 283	202 155	202 004	202 004	199 940	209 736	219 594
Energy sources		23 971	45 855	45 391	51 267	48 232	48 232	45 593	47 827	50 075
Water management		37 489	93 324	77 863	99 444	109 699	109 699	108 414	113 726	119 071
Waste water management		3 775	22 618	32 282	10 700	8 350	8 350	9 006	9 447	9 891
Waste management		12 812	17 366	7 747	40 744	35 724	35 724	36 927	38 736	40 557
<i>Other</i>		5 908	11 077	11 190	9 002	11 329	11 329	12 268	12 869	13 474
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>535 638</b>	<b>698 662</b>	<b>655 515</b>	<b>679 638</b>	<b>675 049</b>	<b>675 049</b>	<b>698 776</b>	<b>732 159</b>	<b>767 304</b>
<b>Surplus/(Deficit) for the year</b>		<b>196 745</b>	<b>64 563</b>	<b>87 151</b>	<b>127 903</b>	<b>154 426</b>	<b>154 426</b>	<b>168 819</b>	<b>179 717</b>	<b>161 980</b>

MP316 Dr J.S. Moroka - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	(446)	-	-	600	600	628	658	689
Vote 2 - FINANCE AND ADMIN		608 372	582 931	518 903	707 871	729 233	729 233	762 727	801 869	814 107
Vote 3 - COMMUNITY AND SOCIAL SERVICES		295	161	162	156	261	261	273	286	299
Vote 4 - PLANNING AND DEVELOPMENT		26 883	48	9 572	34	49	49	51	54	56
Vote 5 - SPORTS AND RECREATION		-	-	-	-	-	-	-	-	-
Vote 6 - ROADS TRANSPORT		18	21	16	30	18	18	19	20	21
Vote 7 - WASTE MANAGEMENT		6 053	4 450	4 567	4 500	4 500	4 500	4 707	4 938	5 170
Vote 8 - WASTE WATER MANAGEMENT		90 268	175 469	208 542	90 000	89 554	89 554	93 689	98 280	102 899
Vote 9 - PUBLIC SAFETY		280	449	856	4 950	5 230	5 230	5 471	5 739	6 008
Vote 10 - ELECTRICITY		-	-	-	-	-	-	-	-	-
Vote 11 - WATER CAPITAL PROJECTS		214	141	49	-	30	30	31	33	34
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>732 383</b>	<b>763 224</b>	<b>742 665</b>	<b>807 541</b>	<b>829 475</b>	<b>829 475</b>	<b>867 596</b>	<b>911 876</b>	<b>929 284</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		47 479	40 947	47 441	68 091	60 024	60 024	61 992	65 030	68 086
Vote 2 - FINANCE AND ADMIN		265 626	319 347	299 765	235 095	238 604	238 604	250 288	261 696	274 728
Vote 3 - COMMUNITY AND SOCIAL SERVICES		26 890	30 273	33 791	31 607	32 026	32 026	34 090	35 761	37 442
Vote 4 - PLANNING AND DEVELOPMENT		41 313	31 651	22 626	34 226	31 510	31 510	38 153	40 023	41 904
Vote 5 - SPORTS AND RECREATION		453	385	286	747	10	10	11	11	12
Vote 6 - ROADS TRANSPORT		5 908	11 077	11 190	9 002	11 329	11 329	12 268	12 869	13 474
Vote 7 - WASTE MANAGEMENT		12 812	17 366	7 747	40 744	35 724	35 724	36 927	38 736	40 557
Vote 8 - WASTE WATER MANAGEMENT		61 889	148 395	129 692	149 362	153 629	153 629	154 086	161 636	169 233
Vote 9 - PUBLIC SAFETY		49 243	53 365	57 584	59 497	63 961	63 961	65 368	68 571	71 794
Vote 10 - ELECTRICITY		23 971	45 855	45 391	51 267	48 232	48 232	45 593	47 827	50 075
Vote 11 - WATER CAPITAL PROJECTS		54	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>535 638</b>	<b>698 662</b>	<b>655 515</b>	<b>679 638</b>	<b>675 049</b>	<b>675 049</b>	<b>698 776</b>	<b>732 159</b>	<b>767 304</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>196 745</b>	<b>64 563</b>	<b>87 151</b>	<b>127 903</b>	<b>154 426</b>	<b>154 426</b>	<b>168 819</b>	<b>179 717</b>	<b>161 980</b>

MP316 Dr J.S. Moroka - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	-	-	-	-	-	-	-	-	-	-
Service charges - Water	2	81 541	63 646	68 286	82 000	81 565	81 565	81 565	85 333	89 514	93 721
Service charges - Waste Water Management	2	9 246	7 588	7 819	8 000	8 000	8 000	8 000	8 368	8 778	9 191
Service charges - Waste Management	2	6 052	4 449	4 567	4 500	4 498	4 498	4 498	4 705	4 935	5 167
Sale of Goods and Rendering of Services		1 291	758	198	77	690	690	690	721	757	792
Agency services		-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		48 249	40 738	45 133	42 000	54 031	54 031	54 031	56 517	59 286	62 073
Interest earned from Current and Non Current Assets		3 121	1 336	1 388	2 500	1 675	1 675	1 675	1 752	1 838	1 924
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		261	161	166	170	296	296	296	309	324	339
Licence and permits		-	1	1	-	-	-	-	-	-	-
Operational Revenue		38 720	13 934	15 886	3 201	12 723	12 723	12 723	13 308	13 960	14 616
<b>Non-Exchange Revenue</b>											
Property rates	2	46 197	40 450	42 522	40 000	38 480	38 480	38 480	40 250	42 222	44 207
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		363	448	854	450	230	230	230	241	252	264
Licences or permits		2 698	4 306	4 900	4 540	6 747	6 747	6 747	7 057	7 403	7 751
Transfer and subsidies - Operational		378 990	586 183	555 955	466 443	466 881	466 881	466 881	498 816	525 345	524 637
Interest		-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	(774)	(5 009)	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contrib</b>		<b>616 729</b>	<b>763 224</b>	<b>742 665</b>	<b>653 881</b>	<b>675 815</b>	<b>675 815</b>	<b>675 815</b>	<b>717 377</b>	<b>754 615</b>	<b>764 683</b>
<b>Expenditure</b>											
Employee related costs	2	189 133	201 673	205 477	217 830	225 785	225 785	225 785	240 661	252 453	264 318
Remuneration of councillors		23 822	23 914	23 592	26 880	26 880	26 880	26 880	28 224	29 607	30 998
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	4 734	10 602	14 040	18 500	19 560	19 560	9 458	15 800	16 574	17 353
Debt impairment		-	51	5 060	77 350	77 350	77 350	77 350	77 500	81 298	85 119
Depreciation and amortisation	3	66 221	64 598	66 214	61 320	61 320	61 320	61 320	61 320	64 325	67 348
Interest		-	-	21	3 200	3 200	3 200	3 200	3 200	3 357	3 515
Contracted services		93 310	183 175	173 273	159 030	169 027	169 027	169 027	165 385	172 631	181 478
Transfers and subsidies		6 325	4 972	8 466	8 450	8 450	8 450	3 541	8 450	8 864	9 281
Irrecoverable debts written off		86 909	119 603	75 805	-	-	-	-	-	-	-
Operational costs		64 775	90 074	83 567	107 078	86 728	86 728	86 728	98 237	103 051	107 894
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-
Other Losses		409	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>535 638</b>	<b>698 662</b>	<b>655 515</b>	<b>679 638</b>	<b>678 299</b>	<b>678 299</b>	<b>663 288</b>	<b>698 776</b>	<b>732 159</b>	<b>767 304</b>
<b>Surplus/(Deficit)</b>		<b>81 091</b>	<b>64 563</b>	<b>87 151</b>	<b>(25 757)</b>	<b>(2 484)</b>	<b>(2 484)</b>	<b>12 527</b>	<b>18 600</b>	<b>22 456</b>	<b>(2 621)</b>
Transfers and subsidies - capital (monetary)	6	115 654	-	-	153 660	153 660	153 660	153 660	150 219	157 261	164 601
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>196 745</b>	<b>64 563</b>	<b>87 151</b>	<b>127 903</b>	<b>151 176</b>	<b>151 176</b>	<b>166 187</b>	<b>168 819</b>	<b>179 717</b>	<b>161 980</b>
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>196 745</b>	<b>64 563</b>	<b>87 151</b>	<b>127 903</b>	<b>151 176</b>	<b>151 176</b>	<b>166 187</b>	<b>168 819</b>	<b>179 717</b>	<b>161 980</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>196 745</b>	<b>64 563</b>	<b>87 151</b>	<b>127 903</b>	<b>151 176</b>	<b>151 176</b>	<b>166 187</b>	<b>168 819</b>	<b>179 717</b>	<b>161 980</b>
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>196 745</b>	<b>64 563</b>	<b>87 151</b>	<b>127 903</b>	<b>151 176</b>	<b>151 176</b>	<b>166 187</b>	<b>168 819</b>	<b>179 717</b>	<b>161 980</b>

MP316 Dr J.S. Moroka - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>											
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCE AND ADMIN		-	-	-	-	-	-	-	-	-	-
Vote 3 - COMMUNITY AND SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 4 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 5 - SPORTS AND RECREATION		-	-	-	-	-	-	-	-	-	-
Vote 6 - ROADS TRANSPORT		-	-	-	-	-	-	-	-	-	-
Vote 7 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 8 - WASTE WATER MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 9 - PUBLIC SAFETY		-	-	-	-	-	-	-	-	-	-
Vote 10 - ELECTRICITY		-	-	-	-	-	-	-	-	-	-
Vote 11 - WATER CAPITAL PROJECTS		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	3 217	-	-	-	-	-	-	-
Vote 2 - FINANCE AND ADMIN		(486 152)	(65 250)	(59 609)	11 400	0	0	0	10 000	6 000	6 000
Vote 3 - COMMUNITY AND SOCIAL SERVICES		1 047	-	5 645	10 058	5 000	5 000	5 000	-	-	-
Vote 4 - PLANNING AND DEVELOPMENT		949	-	-	-	-	-	-	-	-	-
Vote 5 - SPORTS AND RECREATION		(1)	-	-	-	9 426	9 426	9 426	-	-	-
Vote 6 - ROADS TRANSPORT		-	-	-	-	-	-	-	-	-	-
Vote 7 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 8 - WASTE WATER MANAGEMENT		249 384	96 499	111 753	135 919	136 630	136 630	136 630	142 735	120 349	125 854
Vote 9 - PUBLIC SAFETY		1 740	-	-	1 300	1 100	1 100	1 100	1 000	-	-
Vote 10 - ELECTRICITY		(7 536)	-	-	-	-	-	-	-	-	-
Vote 11 - WATER CAPITAL PROJECTS		11 439	6 059	6 399	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		(229 130)	37 308	67 405	158 677	152 155	152 155	152 155	153 735	126 349	131 854
<b>Total Capital Expenditure - Vote</b>		(229 130)	37 308	67 405	158 677	152 155	152 155	152 155	153 735	126 349	131 854
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		(486 152)	(65 250)	(56 392)	11 400	0	0	0	10 000	6 000	6 000
Executive and council		-	-	3 217	-	-	-	-	-	-	-
Finance and administration		(486 152)	(65 250)	(59 609)	11 400	0	0	0	10 000	6 000	6 000
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		3 288	-	5 645	11 358	15 526	15 526	15 526	1 000	-	-
Community and social services		1 046	-	5 645	10 058	14 426	14 426	14 426	-	-	-
Sport and recreation		502	-	-	-	-	-	-	-	-	-
Public safety		1 740	-	-	1 300	1 100	1 100	1 100	1 000	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		249 272	74 618	(25 971)	98 477	43 633	43 633	43 633	54 005	61 096	61 600
Planning and development		949	-	-	-	-	-	-	-	-	-
Road transport		248 323	74 618	(25 971)	98 477	43 633	43 633	43 633	54 005	61 096	61 600
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		4 462	27 940	144 123	37 442	92 996	92 996	92 996	88 730	59 254	64 254
Energy sources		(7 536)	-	-	-	-	-	-	-	-	-
Water management		(7 700)	9 753	106 833	-	50 825	50 825	50 825	62 110	35 000	40 000
Waste water management		19 698	18 187	37 290	37 442	42 171	42 171	42 171	26 620	24 254	24 254
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	(229 130)	37 308	67 405	158 677	152 155	152 155	152 155	153 735	126 349	131 854
<b>Funded by:</b>											
National Government		61 153	92 846	15 465	145 977	146 055	146 055	146 055	142 735	120 349	125 854
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	61 153	92 846	15 465	145 977	146 055	146 055	146 055	142 735	120 349	125 854
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	6 019	29 210	12 600	6 100	6 100	6 100	11 000	6 000	6 000
<b>Total Capital Funding</b>	7	61 153	98 865	44 675	158 577	152 155	152 155	152 155	153 735	126 349	131 854



MP316 Dr J.S. Moroka - Table A6 Budgeted Financial Position

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Current assets</b>											
Cash and cash equivalents		97 418	60 988	3 332	69 869	64 526	64 526	64 526	62 651	646 778	649 730
Trade and other receivables from exchange transactions	1	141 386	173 893	203 667	159 902	187 415	187 415	187 415	316 816	319 586	320 864
Receivables from non-exchange transactions	1	26 633	14 336	30 831	10 561	10 525	10 525	10 525	3 969	94 989	98 841
Current portion of non-current receivables		(15)	(15)	(15)	-	-	-	-	-	-	-
Inventory	2	3 537	5 711	2 318	(16 299)	(14 859)	(14 859)	(14 859)	(13 465)	(14 240)	(15 019)
VAT		126 106	133 426	144 117	20 881	20 881	20 881	20 881	158 741	158 741	158 741
Other current assets		3 767	3 767	3 767	79	79	79	79	3 767	3 767	3 767
<b>Total current assets</b>		<b>398 831</b>	<b>392 107</b>	<b>388 017</b>	<b>244 992</b>	<b>268 566</b>	<b>268 566</b>	<b>268 566</b>	<b>532 478</b>	<b>1 209 621</b>	<b>1 216 925</b>
<b>Non current assets</b>											
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		154	154	154	153	153	153	153	154	154	154
Property, plant and equipment	3	1 772 273	1 813 611	1 881 578	1 743 573	1 743 373	1 743 373	1 743 373	2 025 773	1 995 383	1 997 864
Biological assets		-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-
Intangible assets		0	0	1 012	14	14	14	14	1 012	1 012	1 012
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		1 050	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>1 773 477</b>	<b>1 813 765</b>	<b>1 882 744</b>	<b>1 743 740</b>	<b>1 743 540</b>	<b>1 743 540</b>	<b>1 743 540</b>	<b>2 026 939</b>	<b>1 996 549</b>	<b>1 998 031</b>
<b>TOTAL ASSETS</b>		<b>2 172 308</b>	<b>2 205 872</b>	<b>2 270 761</b>	<b>1 988 732</b>	<b>2 012 106</b>	<b>2 012 106</b>	<b>2 012 106</b>	<b>2 559 418</b>	<b>3 206 171</b>	<b>3 215 955</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft		-	-	-	-	-	-	-	-	-	-
Financial liabilities		-	-	0	-	-	-	-	-	-	-
Consumer deposits		779	814	833	710	710	710	710	846	846	846
Trade and other payables from exchange transactions	4	169 260	127 291	105 446	57 703	54 554	54 554	54 554	170 833	802 031	829 552
Trade and other payables from non-exchange transactions	5	14 920	(0)	(0)	-	-	-	-	(4 657)	-	-
Provision		3 026	3 026	3 026	835	835	835	835	3 026	3 026	3 026
VAT		78 505	92 113	105 530	-	-	-	-	99 063	99 063	99 063
Other current liabilities		-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>		<b>266 489</b>	<b>223 244</b>	<b>214 835</b>	<b>59 247</b>	<b>56 098</b>	<b>56 098</b>	<b>56 098</b>	<b>269 110</b>	<b>904 965</b>	<b>932 486</b>
<b>Non current liabilities</b>											
Financial liabilities	6	0	0	-	-	-	-	-	-	-	-
Provision	7	25 188	33 444	29 461	22 857	22 857	22 857	22 857	32 461	32 461	32 461
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		-	-	-	-	-	-	-	-	-	-
<b>Total non current liabilities</b>		<b>25 188</b>	<b>33 444</b>	<b>29 461</b>	<b>22 857</b>	<b>22 857</b>	<b>22 857</b>	<b>22 857</b>	<b>32 461</b>	<b>32 461</b>	<b>32 461</b>
<b>TOTAL LIABILITIES</b>		<b>291 677</b>	<b>256 688</b>	<b>244 296</b>	<b>82 104</b>	<b>78 955</b>	<b>78 955</b>	<b>78 955</b>	<b>301 571</b>	<b>937 427</b>	<b>964 947</b>
<b>NET ASSETS</b>		<b>1 880 630</b>	<b>1 949 184</b>	<b>2 026 465</b>	<b>1 906 628</b>	<b>1 933 151</b>	<b>1 933 151</b>	<b>1 933 151</b>	<b>2 257 847</b>	<b>2 268 744</b>	<b>2 251 007</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated surplus/(deficit)	8	1 683 886	1 948 239	2 026 465	1 906 628	1 933 151	1 933 151	1 933 151	2 257 847	2 268 744	2 251 007
Reserves and funds	9	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	10	<b>1 683 886</b>	<b>1 948 239</b>	<b>2 026 465</b>	<b>1 906 628</b>	<b>1 933 151</b>	<b>1 933 151</b>	<b>1 933 151</b>	<b>2 257 847</b>	<b>2 268 744</b>	<b>2 251 007</b>



MP316 Dr J.S. Moroka - Table A7 Budgeted Cash Flows

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		110 273	24 561	24 971	46 064	46 064	46 064	46 064	17 684	-	-
Service charges		14 879	8 047	9 557	41 718	31 041	31 041	31 041	75 655	27 566	28 861
Other revenue		91 309	100 507	122 671	10 421	15 556	15 556	15 556	30 607	9 417	9 859
Transfers and Subsidies - Operational	1	375 278	479 570	443 285	457 993	299 451	299 451	299 451	494 159	525 345	524 637
Transfers and Subsidies - Capital	1	128 080	614	2 450	153 660	153 660	153 660	153 660	150 219	157 261	164 601
Interest		-	-	-	-	-	-	-	-	-	-
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		26 053	(80 164)	(106 691)	(616 816)	(620 066)	(620 066)	(620 066)	(605 392)	-	-
Finance charges		-	-	(269)	(2 134)	(2 134)	(2 134)	(2 134)	-	-	-
Transfers and Subsidies	1	-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>745 872</b>	<b>533 136</b>	<b>495 973</b>	<b>90 906</b>	<b>(76 429)</b>	<b>(76 429)</b>	<b>(76 429)</b>	<b>162 932</b>	<b>719 588</b>	<b>727 959</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(104 970)	(98 302)	(146 928)	(162 802)	(162 602)	162 602	162 602	(153 735)	(126 349)	(131 854)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(104 970)</b>	<b>(98 302)</b>	<b>(146 928)</b>	<b>(162 802)</b>	<b>(162 602)</b>	<b>162 602</b>	<b>162 602</b>	<b>(153 735)</b>	<b>(126 349)</b>	<b>(131 854)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>640 901</b>	<b>434 834</b>	<b>349 045</b>	<b>(71 896)</b>	<b>(239 031)</b>	<b>86 173</b>	<b>86 173</b>	<b>9 198</b>	<b>593 239</b>	<b>596 105</b>
Cash/cash equivalents at the year begin:	2	40 913	-	60 988	141 765	141 765	141 765	141 765	51 701	60 899	654 138
Cash/cash equivalents at the year end:	2	681 814	434 834	410 033	69 869	(97 266)	227 938	227 938	60 899	654 138	1 250 242

## **PART 2 – SUPPORTING DOCUMENTATION**

### **5. BUDGET PROCESS OVERVIEW**

MFMA, Chapter 4, as well as Municipal Budget of the Circular 123, provide guidance on the steps in the annual budget process. Critical to the development of a credible budget are: Consultation with the community and other stakeholders, as summarized below:

1. Political oversight and management of the budget process
2. Time schedule relating to the budget process
3. Process for the tabling of budget and community consultations

#### **5.1 Political oversight of the budget process**

Management will convene various planning sessions to discuss political and strategic priorities that would inform the IDP/Budget review.

#### **5.2 Schedule of Key Deadlines relating to budget process [MFMA s 21(1)(b)]**

The process schedule of key deadlines for the preparation of the budget for the 2023/2024 medium-term budget was approved by Council 10 months before the start of the financial year.

#### **5.3 Process for the tabling of budget and community consultation**

In terms of section 23 of the MFMA, after the budget is tabled, the municipal council must consider any views of the local community, National Treasury, relevant provincial treasury and any provincial or national organ of state or municipalities which made submissions on the budget.

## 6. ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

The integrated Development Plan (IDP) determines and prioritizes the needs of the community.

The review of the IDP, in accordance with the Municipal Systems Act, was guided and informed by the principles:

- Strategic priorities of the municipality
- Focusing on service delivery backlogs and the maintenance of infrastructure
- Addressing community needs as identified in the IDP.

The review of the IDP focused on establishing measurable performance indicators and targets. These targets informed the preparation of the multi-year budget, as well as the Service Delivery and Budget Implementation Plan (SDBIP)

## 7. OVERVIEW OF BUDGET-RELATED POLICIES

The MFMA and the Budget and Reporting Regulations require budget-related policies to be reviewed, and where applicable, be updated on an annual basis.

The following indicates the names of the existing budget-related policies:

- Asset Management policy
- Budget policy
- Cash management and investment policy
- Credit Control and Debt collection policy
- Free Basic Services and Indigent Support Policy
- Grants Policy
- Cost Containment Policy
- Insurance Management Policy
- Travel and Subsistence Policy
- Inventory Management Policy
- Debt impairment and the writing off policy
- Property rates policy
- Loss control policy
- Supply chain management policy
- Tariff policy

The proposed tariff increase for the financial year 2023/24 to be effective by 1 July 2023 is as follows:

<b>2021/2022</b>	<b>2022/2023</b>	<b>2023/2024</b>
5.3%	4.9%%	4.7%%

MP316 Dr J.S. Moroka - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousand		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		-	-	-	16 603	16 603	16 603	17 433	18 287	19 146
Pension and UIF Contributions		-	-	-	2 729	2 729	2 729	2 865	3 006	3 147
Medical Aid Contributions		-	-	-	854	854	854	897	941	985
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	-	3 145	3 145	3 145	3 303	3 464	3 627
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	3 549	3 549	3 549	3 726	3 909	4 093
<b>Sub Total - Councillors</b>		-	-	-	26 880	26 880	26 880	28 224	29 607	30 998
<b>% increase</b>	4	-	-	-	-	-	-	5.0%	4.9%	4.7%
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		6 066	(5 236)	1 421	7 196	7 756	7 756	8 299	8 706	9 115
Pension and UIF Contributions		492	226	52	301	375	375	401	420	440
Medical Aid Contributions		158	56	7	115	106	106	113	119	124
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	450	450	450	482	505	529
Motor Vehicle Allowance	3	613	292	75	240	992	992	1 061	1 113	1 165
Cellphone Allowance	3	110	45	9	44	94	94	100	105	110
Housing Allowances	3	-	-	-	44	0	0	-	-	-
Other benefits and allowances	3	0	0	0	1	0	0	0	0	0
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		7 439	(4 618)	1 564	8 391	9 772	9 772	10 456	10 969	11 484
<b>% increase</b>	4	-	(162.1%)	(133.9%)	436.6%	16.5%	-	7.0%	4.9%	4.7%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		117 866	136 256	133 057	171 343	142 171	142 171	151 194	158 603	166 057
Pension and UIF Contributions		26 805	28 308	28 071	19 214	29 343	29 343	31 397	32 935	34 483
Medical Aid Contributions		11 409	12 640	13 014	5 183	13 311	13 311	14 243	14 941	15 643
Overtime		929	1 463	3 789	287	5 980	5 980	6 399	6 712	7 028
Performance Bonus		9 666	9 960	10 406	4 166	11 674	11 674	12 491	13 103	13 719
Motor Vehicle Allowance	3	6 509	5 556	4 523	3 220	5 489	5 489	5 873	6 161	6 451
Cellphone Allowance	3	892	862	789	3 703	823	823	880	924	967
Housing Allowances	3	980	908	822	472	797	797	853	894	936
Other benefits and allowances	3	4 295	4 463	4 926	1 161	4 194	4 194	4 488	4 708	4 929
Payments in lieu of leave		935	1 738	320	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	290	2 556	1 327	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		180 575	204 709	201 044	208 749	213 782	213 782	227 818	238 981	250 213
<b>% increase</b>	4	-	13.4%	(1.8%)	3.8%	2.4%	-	6.6%	4.9%	4.7%
<b>Total Parent Municipality</b>		188 015	200 092	202 608	244 020	250 434	250 434	266 498	279 557	292 696
			6.4%	1.3%	20.4%	2.6%	-	6.4%	4.9%	4.7%
<b>Board Members of Entities</b>										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-	-
Cellphone Allowance	3	-	-	-	-	-	-	-	-	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	-	-	-	-	-	-
Board Fees		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
<b>Sub Total - Board Members of Entities</b>		-	-	-	-	-	-	-	-	-
<b>% increase</b>	4	-	-	-	-	-	-	-	-	-

<b>Senior Managers of Entities</b>										
	Basic Salaries and Wages	-	-	-	-	-	-	-	-	-
	Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
	Medical Aid Contributions	-	-	-	-	-	-	-	-	-
	Overtime	-	-	-	-	-	-	-	-	-
	Performance Bonus	-	-	-	-	-	-	-	-	-
	Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-
	Cellphone Allowance	3	-	-	-	-	-	-	-	-
	Housing Allowances	3	-	-	-	-	-	-	-	-
	Other benefits and allowances	3	-	-	-	-	-	-	-	-
	Payments in lieu of leave	-	-	-	-	-	-	-	-	-
	Long service awards	-	-	-	-	-	-	-	-	-
	Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-
	<b>Sub Total - Senior Managers of Entities</b>		-	-	-	-	-	-	-	-
	<b>% increase</b>	4	-	-	-	-	-	-	-	-
<b>Other Staff of Entities</b>										
	Basic Salaries and Wages	-	-	-	-	-	-	-	-	-
	Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
	Medical Aid Contributions	-	-	-	-	-	-	-	-	-
	Overtime	-	-	-	-	-	-	-	-	-
	Performance Bonus	-	-	-	-	-	-	-	-	-
	Motor Vehicle Allowance	3	-	-	-	-	-	-	-	-
	Cellphone Allowance	3	-	-	-	-	-	-	-	-
	Housing Allowances	3	-	-	-	-	-	-	-	-
	Other benefits and allowances	3	-	-	-	-	-	-	-	-
	Payments in lieu of leave	-	-	-	-	-	-	-	-	-
	Long service awards	-	-	-	-	-	-	-	-	-
	Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-
	<b>Sub Total - Other Staff of Entities</b>		-	-	-	-	-	-	-	-
	<b>% increase</b>	4	-	-	-	-	-	-	-	-
<b>Total Municipal Entities</b>			-	-	-	-	-	-	-	-
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>			188 015	200 092	202 608	244 020	250 434	250 434	266 498	279 557
	<b>% increase</b>	4		6.4%	1.3%	20.4%	2.6%	-	6.4%	4.9%
	<b>TOTAL MANAGERS AND STAFF</b>	5,7	188 015	200 092	202 608	217 140	223 554	223 554	238 274	249 950
										261 697



MP316 Dr. J.S. Moroka - Supporting Table SA30 Budgeted monthly cash flow

R thousand	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
	MONTHLY CASH FLOWS												Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Cash Receipts By Source</b>															
Property rates	1 474	1 474	1 474	1 474	1 474	1 474	1 474	1 474	1 474	1 474	1 474	1 474	17 684	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	5 423	5 445	5 401	5 489	5 533	5 511	5 358	5 577	5 511	5 489	5 467	5 605	27 565	28 861	-
Service charges - sanitation revenue	536	536	536	536	536	536	536	536	536	536	536	536	6 434	-	-
Service charges - refuse revenue	301	301	301	301	301	301	301	301	301	301	301	3 617	-	-	-
Rental of facilities and equipment	14	15	14	15	15	15	14	16	15	15	15	177	186	195	-
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	582	582	582	582	582	582	582	582	582	582	582	6 979	3	3	-
Licences and permits	43	43	42	44	45	44	41	46	44	44	44	523	549	574	-
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	40 356	40 768	39 945	41 592	42 415	42 004	39 121	43 239	42 004	41 592	41 180	484 159	525 345	524 637	-
Other revenue	1 897	1 904	1 890	1 918	1 931	1 924	1 876	1 945	1 924	1 918	1 890	22 927	8 679	9 067	-
<b>Cash Receipts by Source</b>	<b>50 626</b>	<b>51 068</b>	<b>50 185</b>	<b>51 950</b>	<b>52 832</b>	<b>52 391</b>	<b>49 303</b>	<b>53 715</b>	<b>52 391</b>	<b>51 950</b>	<b>51 959</b>	<b>618 105</b>	<b>562 327</b>	<b>563 358</b>	<b>-</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	12 268	12 393	12 143	12 643	12 894	12 769	11 892	13 144	12 769	12 643	12 518	150 219	157 261	164 601	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in source	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>62 894</b>	<b>63 461</b>	<b>62 328</b>	<b>64 593</b>	<b>65 726</b>	<b>65 160</b>	<b>61 195</b>	<b>66 859</b>	<b>65 160</b>	<b>64 593</b>	<b>64 027</b>	<b>768 324</b>	<b>719 588</b>	<b>727 959</b>	<b>-</b>
<b>Cash Payments by Type</b>															
Employee related costs	22 027	22 027	22 027	22 027	22 027	22 027	22 027	22 027	22 027	22 027	22 027	264 318	-	-	-
Remuneration of councillors	2 593	2 593	2 593	2 593	2 593	2 593	2 593	2 593	2 593	2 593	2 593	30 998	-	-	-
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions - water & other inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	25 840	25 840	25 840	25 840	25 840	25 840	25 840	25 840	25 840	25 840	25 840	310 076	-	-	-
<b>Cash Payments by Type</b>	<b>50 449</b>	<b>50 449</b>	<b>50 449</b>	<b>50 449</b>	<b>50 449</b>	<b>50 449</b>	<b>50 449</b>	<b>50 449</b>	<b>50 449</b>	<b>50 449</b>	<b>50 449</b>	<b>605 392</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	12 728	12 728	12 728	13 728	12 728	12 728	12 728	12 728	12 728	12 728	(306 631)	153 735	126 349	131 854	-
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>63 177</b>	<b>63 177</b>	<b>63 177</b>	<b>64 177</b>	<b>63 177</b>	<b>63 177</b>	<b>63 177</b>	<b>63 177</b>	<b>63 177</b>	<b>63 177</b>	<b>63 177</b>	<b>759 127</b>	<b>126 349</b>	<b>131 854</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>(283)</b>	<b>284</b>	<b>(849)</b>	<b>417</b>	<b>2 549</b>	<b>1 983</b>	<b>(1 982)</b>	<b>3 682</b>	<b>1 983</b>	<b>1 417</b>	<b>(12 743)</b>	<b>9 198</b>	<b>593 239</b>	<b>596 105</b>	<b>-</b>
Cash/cash equivalents at the month/year begin:	51 701	51 419	51 702	50 854	51 270	53 819	55 802	55 821	57 583	58 465	60 902	48 159	51 701	60 889	654 138
Cash/cash equivalents at the month/year end:	51 419	51 702	50 854	51 270	53 819	55 802	53 821	57 583	58 465	60 902	48 159	60 889	654 138	654 138	1 250 242

## **8. OVERVIEW OF BUDGET ASSUMPTIONS**

The municipal fiscal environment is influenced by a variety of macro-economic control measures. National Treasury provides guidelines on the ceiling of the year-on-year increase in the total operating budget, while the National Electricity Regulator of South Africa (NERSA) regulates bulk electricity tariff increases. The municipality's employee-related costs are also influenced by collective agreements concluded in the South African Local Government Bargaining Council.

The following principles and guidelines directly informed the compilation of the budget:

- The priorities and targets, relating to the key strategic focus areas, as outlined in the IDP.
- The need to enhance the municipality's revenue base.
- Expansion of municipal services.

## **9. OVERVIEW OF BUDGET FUNDING**

In terms of Section 18 of the Municipal Finance Management Act, an annual budget may be funded from:

- Realistically anticipated revenues to be collected.
- Cash-backed accumulated funds from previous year's surpluses not committed for other purposes
- Borrowed funds but only for the capital budget referred to in Section 17

On the basis of the above, it should be noted that the municipal budget is funded mainly from:

- ✓ Equitable Share which constitutes 56% of the total revenue is to fund the day-to-day running of the municipality and fund the services consumed by the indigent section of the community.
- ✓ Conditional Grants (MIG, EPWP and FMG) constitute 18% and the grant is used to fund the infrastructure backlog as well as capacitate the Budget and Treasury Office.
- ✓ Own revenue is projected to constitute 26% of the budget. (Relates to realistically anticipated revenue to be collected) This portion of the budget depends on the municipal ability to raise and collect revenue so that it can be able to fund its operations.

## **10. COUNCILORS AND EMPLOYEE BENEFITS**

## **11. MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW**

## **12. LEGISLATION COMPLIANCE STATUS**

### 12.1 IDP

A draft revised 2023/24 IDP has been developed, which will be considered by Council. The IDP included specific deliverables that form the basis for the Budget and SDBIP.

### 12.2 Budget

The draft budget document has been developed taking the MFMA and National Treasury requirements into account. Budgets are being tabled and approved within the required legislated timeframes.

### 12.3 In-year Reporting

The municipality submits the various reports required to the Mayor, Council, and National Treasury on an ongoing basis, in accordance with the MFNA.

### 12.4 Supply Chain Management Policy

A Supply Chain Management Policy has been adopted and implemented in accordance with the MFMA and National Treasury requirements.

### 12.5 Budget and Treasury

A budget and Treasury Office has been established in accordance with the MFMA and National Treasury's requirements, consisting of a CFO and municipal officials reporting to the CFO.

### 12.6 Audit Committee

An Audit Committee is shared with the District

### 12.7 Internal Audit Functions

Internal Audit Unit has been established and is functional.

### 12.8 Internship Programme

The municipality is participating in the Municipal Financial Management Internship programme, and currently employed five interns undergoing training in various divisions of the Financial Services Department. Since the introduction of the Internship programme the municipality has successfully employed and trained interns through this programme.



## 12.9 Municipal Standard Chart of Account (Mscoa)

The municipality has made significant progress on compliance. Data strings are uploaded monthly, and green status has been maintained for several years now. Legislative required information has been submitted. The municipality is continuously working on reaching full compliance. The budget schedules are generated from the financial system.

### **13. MUNICIPAL MANAGER'S QUALITY CERTIFICATION**

#### Quality Certificate

I M.M Mathebela, Municipal Manager of Dr JS Moroka Local Municipality, hereby certify that the 2023/24 draft annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name **MATHARA MONICA MATHEBELA**

Municipal Manager of Dr JS Moroka Local Municipality (MP316)



# dr.jsmlm

DR JS Moroka Local Municipality

FINANCE DEPARTMENT


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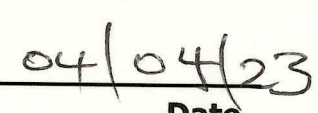
## QUALITY CERTIFICATE: DR JS MOROKA LOCAL MUNICIPALITY 2023/2024 DRAFT ANNUAL BUDGET

Please find the quality certificate, as set out in the Government Gazette number 32141 dated 17 April 2009 of Dr JS Moroka Local Municipality.

I, M.M Mathebela Municipal Manager of Dr JS Moroka Local Municipality, hereby certify that the draft annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act.

Yours faithfully,

  
\_\_\_\_\_  
**Ms M.M Mathebela**  
**Municipal Manager**

  
\_\_\_\_\_  
**Date**



**dr.jsm/m**

Dr JS Moroka Local Municipality

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03 April 2023

**TO: CHIEF FINANCIAL OFFICER**

1. You are hereby informed that Council at its ordinary sitting held on the 30 March 2023 resolved as follows:

**R220.03.2023ND DRAFT ANNUAL BUDGET 2023/2024 -  
2025/2026 MTREF**

- 1.1. **THAT**, Council adopt the 2023/24 to 2025/26 Draft Medium Term Revenue and expenditure Framework as follows:

REVENUE & EXPENDITURE SUMMARY	2022-2023 ADJUSTED BUDGET	2023-2024 DRAFT BUDGET	2024-2025 BUDGET	2025-2026 BUDGET
Revenue	829 560 000	867 596 527	918 989 262	936 731 275
Operating Expenditure	-674 642 000	-706 281 959	-740 889 775	-775 711 594
Capital Expenditure	-150 922 000	-149 610 050	-157 299 000	-157 299 000
<b>Surplus/ (Deficit)</b>	<b>3 996 000</b>	<b>11 704 518</b>	<b>20 800 487</b>	<b>3 720 681</b>

- 1.2. **THAT**, Council adopts the proposed Tariff increase for the services provided by the municipality as contained in the tariff structure.

- 1.3. **THAT**, Council adopts the following budget-related policies:

- 1.3.1. Asset Management Policy
- 1.3.2. Budget Policy
- 1.3.3. Cost Containment Policy
- 1.3.4. Credit Control and Debt collection policy
- 1.3.5. Free Basic Services and Indigent Support Policy
- 1.3.6. Grants Policy
- 1.3.7. Insurance Management Policy
- 1.3.8. Inventory Management Policy
- 1.3.9. Investment Policy
- 1.3.10. Loss Control Policy
- 1.3.11. Property Rates Policy
- 1.3.12. Supply Chain Management Policy
- 1.3.13. Tariff Policy
- 1.3.14. UIF&W Policy
- 1.3.15. Virement Policy

2. Please ensure that the above resolution of Council is dealt with.

  
CLLR NKOANE M.R  
SPEAKER

All correspondence should be addressed to The Municipal Manager

Dr JS Moroka Local Municipality